

Message Text

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61

ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 IGA-01 L-03 AGR-05 /062 W

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R 141551Z AUG 75

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 900

LIMITED OFFICIAL USE TEGUCIGALPA 3529

PASS LA/CEN

E.O. 11652: N/A

TAGS: EAID, EFIN, HO

SUBJECT: INVESTIGATION OF BANCO NACIONAL DE FOMENTO,
CEREALS DIVISION

1. BNF AND SUPERINTENDENT OF BANKS (CENTRAL BANK) AUDITORS
ARE INVESTIGATION CHARGES OF IMPROPER BEHAVIOR BY BNF
EMPLOYEES IN THE CEREALS DIVISION AND AT HIGHER LEVELS.

2. IT APPEARS THAT TWO EMPLOYEES IN THE CEREALS DIVISION
HAVE BEEN CHARGED WITH SPECULATING FOR THEIR OWN ACCOUNT IN
BASIC GRAINS. THEY IN TURN ARE REPORTED TO HAVE ADMITTED
GUILT AND TO HAVE FILED ACCUSATIONS AGAINST A NUMBER OF
OTHER BNF EMPLOYEES. NEITHER THE CONTENT OF THE
ACCUSATIONS NOR THE OTHER NAMES ARE KNOWN TO US. THE TWO
GUILTY HAVE BEEN FIRED.

3. ACCORDING TO THE PRESIDENT OF THE CENTRAL BANK NO
EVIDENCE HAS BEEN UNCOVERED TO INDICATE THAT BNF FUNDS OR
GRAIN STOCKS WERE INVOLVED. IT APPEARS TO BE SIMPLY A
CONFLICT-OF-INTEREST SITUATION INVOLVING THE IMPROPER USE OF
INSIDE KNOWLEDGE.

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4. A ROUTINE REIMBURSEMENT OF \$758,452.75 UNDER AID LOAN

522-T-026 AGAINST GRAIN PURCHASES MADE BY THE BNF DURING
MARCH-JUNE 1975 WAS PROCESSED OVER THE PAST WEEK AND THE
CHECK ISSUED AUGUST 13. THIS CHECK HAD BEEN DELIVERED TO
THE MINISTRY OF FINANCE BEFORE WE BECAME AWARE OF THE
INVESTIGATION, AND IT HAD BEEN RECEIVED AND DEPOSITED BY
THE BNF BEFORE AN AID REPRESENTATIVE COULD TRACK IT DOWN.
ALTHOUGH IT HAS BEEN ENTERED IN THE BNF BOOKS, THE
PRESIDENT OF THE BNF HAS AGREED TO HAVE IT HELD IN
SAFEKEEPING PENDING HIS ORDER TO RELEASE IT FOR CLEARANCE.
SANCHEZ

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Message Attributes

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Disposition Authority: GolinoFR
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Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
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TAGS: EAID, EFIN, HO, BANCO NACIONAL DE FOMENTO
To: STATE
Type: TE
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